# ARIZONA CORPORATION COMMISSION UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL - MAKE CHANGES AS NECESSARY



W-02076A Tierra Buena Water Company 5050 N. 40th Street, Ste. 320 Phoenix AZ 85018 MAR 1 8 2005

AZ Corporation Commission
Director Of Utilities

## ANNUAL REPORT

FOR YEAR ENDING

12 31 2004

FOR COMMISSION USE

ANN04 04

## **COMPANY INFORMATION**

Mailing Address5050 N. 40 <sup>TH</sup> STE	REET SUITE 320		
(Street) PHOENIX	AZ	850	18
(City)	(State)	(Z:	
	(***)	(505) 055	
(602) 468-0040 Felephone No. (Include Area Code)	(602) 468-1265 Fax No. (Include Area Code)	(602) 957-7	7347 Include Area Code)
	Tax No. (metade Area Code)	r agen/con ivo. (i	mende / men code)
Email Address			
ocal Office Mailing AddressS	AME AS ABOVE (Street)		
(City)	(State)	(Ziţ	))
ocal Office Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell N	No. (Include Area Code
Email Address			
MAN	NAGEMENT INFORMATIO		
	NAGEMENT INFORMATIO	<u>DN</u>	itle)
MAN	NAGEMENT INFORMATION EY UTILITIES (Name)	<u>DN</u>	itle)
MAN Management Contact: VALL	NAGEMENT INFORMATION EY UTILITIES (Name)	<u>ON</u>	,
MAN Management Contact: VALL  12540 WEST BETHANY HOME	NAGEMENT INFORMATION EY UTILITIES (Name) LITCHFIELD PARK	ON (T: AZ (State)	85340 (Zip)
MAN Management Contact: VALL  12540 WEST BETHANY HOME (Street)	NAGEMENT INFORMATION EY UTILITIES (Name) LITCHFIELD PARK (City)	ON (T: AZ (State)	85340
MAN  Management Contact: VALL  12540 WEST BETHANY HOME (Street)  (602) 935-1100  Telephone No. (Include Area Code)	EY UTILITIES (Name)  LITCHFIELD PARK (City)  (602) 935-7321  Fax No. (Include Area Code)	ON (T: AZ (State)	85340 (Zip)
MAN  Management Contact: VALL  12540 WEST BETHANY HOME (Street)  (602) 935-1100  Telephone No. (Include Area Code)  Email Address	EY UTILITIES (Name) LITCHFIELD PARK (City)  (602) 935-7321 Fax No. (Include Area Code)	ON (T: AZ (State)	85340 (Zip)
MAN  Management Contact: VALL  12540 WEST BETHANY HOME (Street)  (602) 935-1100  Telephone No. (Include Area Code)  Email Address	EY UTILITIES (Name) LITCHFIELD PARK (City)  (602) 935-7321 Fax No. (Include Area Code)	ON (T: AZ (State)	85340 (Zip)
MAN Management Contact: VALL  12540 WEST BETHANY HOME (Street) (602) 935-1100 Telephone No. (Include Area Code)  Email Address	EY UTILITIES (Name)  LITCHFIELD PARK (City)  (602) 935-7321 Fax No. (Include Area Code)  PRINCE (Name)	(T. AZ (State)	85340 (Zip) No. (Include Area Code
MAN Management Contact:VALL  12540 WEST BETHANY HOME (Street)  (602) 935-1100  Telephone No. (Include Area Code)  Email Address  On Site Manager:ROBERT L.	EY UTILITIES (Name)  LITCHFIELD PARK (City)  (602) 935-7321 Fax No. (Include Area Code)  PRINCE	ON (T: AZ (State)	85340 (Zip)
MAN Management Contact:	EY UTILITIES (Name)  LITCHFIELD PARK (City)  (602) 935-7321 Fax No. (Include Area Code)  PRINCE (Name)	(T. AZ (State)	85340 (Zip) No. (Include Area Code
MAN  Management Contact: VALL  12540 WEST BETHANY HOME (Street)  (602) 935-1100 Telephone No. (Include Area Code)  Email Address  On Site Manager: ROBERT L.  SAME AS ABOVE (Street)  Telephone No. (Include Area Code)	EY UTILITIES (Name)  LITCHFIELD PARK (City)  (602) 935-7321  Fax No. (Include Area Code)  PRINCE (Name)  (City)	(T. AZ (State)  Pager/Cell N	85340 (Zip) No. (Include Area Code

Statutory Agent: GIORA BEN-H	IORIN		
· · ·	(Name)		
5050 NORTH 40 <sup>TH</sup> STREET, #320	PHOENIX	AZ (State)	85018 (Zip)
(Street)	(City)	(State)	(Zip)
(602) 468-0040 Telephone No. (Include Area Code)	Fax No. (Include Area Code	Pager/Cell No. (	Include Area Code)
•	`	C .	
Attorney:	(Name)	0. m	
(Street)	(City)	(State)	(Zip)
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (I	nclude Area Code)
Please mark this box if the above ad	ldress(es) have changed or are	updated since the	last filing.
<u>OW</u>	NERSHIP INFORMATIO	<u>N</u>	
Check the following box that applies to y	our company:		
Sole Proprietor (S)	C Corporation (C	(Other than Ass	sociation/Co-op)
Partnership (P)	Subchapter S Con	rporation (Z)	
☐ Bankruptcy (B)	Association/Co-op	p (A)	
Receivership (R)	Limited Liability	Company	
Other (Describe)			
	<b>COUNTIES SERVED</b>		
Check the box below for the county/ies in	n which you are certificated to pr	ovide service:	
<b>Д</b> АРАСНЕ	☐ COCHISE	□ coc	ONINO
☐ GILA	☐ GRAHAM	☐ GRE	ENLEE
☐ LA PAZ	<b>⊠</b> MARICOPA	□ мон	IAVE
☐ NAVAJO	☐ PIMA	☐ PINA	L
☐ SANTA CRUZ	☐ YAVAPAI	☐ YUM	I <b>A</b>
☐ STATEWIDE			

## **UTILITY PLANT IN SERVICE**

Acet. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization			
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements			
307	Wells and Springs	84,929	35,744	49,185
311	Pumping Equipment	29,908	26,160	3,748
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	151,751	53,267	98,484
331	Transmission and Distribution Mains	220,508	84,391	136,117
333	Services	4,405	498	3,907
334	Meters and Meter Installations	24,423	11,966	12,457
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	884	884	0
340	Office Furniture and Equipment	880	880	0
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	517,688	213,790	303,898

This amount goes on the Balance Sheet Acct. No. 108

# COMPANY NAME TIERRA BUENA WATER COMPANY, INC.

## CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization			
302	Franchises			111-9-1
303	Land and Land Rights			
304	Structures and Improvements			
307	Wells and Springs	84,929	5%	4,247
311	Pumping Equipment	29,908	5%	1,495
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	151,751	5%	7,588
331	Transmission and Distribution Mains	220,508	5%	11,025
333	Services	4,405	5%	
334	Meters and Meter Installations	24,423	5%	1,221
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	884	5%	0
340	Office Furniture and Equipment	880	5%	0
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	517,688		25,796

This amount goes on Comparative Statement of Income and Expense Acct. No. 403.



To the Board of Directors of Tierra Buena Water Company, Inc. Scottsdale, Arizona

We have compiled the balance sheet of Tierra Buena Water Company, Inc. (a corporation) as of December 31, 2004 and 2003, and the comparative statement of income and expense for the years then ended included in the accompanying prescribed form in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

Our compilation was limited to presenting in the form prescribed by the Arizona Corporation Commission information that is the representation of management. We have not audited or reviewed the financial statements referred to above and, accordingly, do not express an opinion or any other form of assurance on them.

These financial statements are presented in accordance with the requirements of the Arizona Corporation Commission, which differ from generally accepted accounting principles. Accordingly, these financial statements are not designed for those who are not informed about such differences.

All other information contained in the accompanying prescribed form has not been audited, reviewed, or compiled by us and, accordingly, we assume no responsibility for that information.

ULLMANN & COMPANY, P.C.

Certified Public Accountants

#### COMPANY NAME

TIERRA BUENA WATER COMPANY, INC.

## **BALANCE SHEET**

Acct. No.	ACCEPTO		BALANCE AT BEGINNING OF			
	ASSETS		YEAR		YEAR	
	CURRENT AND ACCRUED ASSETS					
131	Cash	\$	16,614	\$	12,684	
134	Working Funds				•••	
135	Temporary Cash Investments					
141	Customer Accounts Receivable		6,377		4,693	
146	Notes/Receivables from Associated Companies					
151	Plant Material and Supplies					
162	Prepayments		,			
174	Miscellaneous Current and Accrued Assets					
	TOTAL CURRENT AND ACCRUED ASSETS	\$	22,991	\$	17,377	
	FIXED ASSETS					
101	Utility Plant in Service	\$	517,688	\$	517,688	
103	Property Held for Future Use					
105	Construction Work in Progress					
108	Accumulated Depreciation - Utility Plant		187,994		213,790	
121	Non-Utility Property					
122	Accumulated Depreciation - Non Utility					
	TOTAL FIXED ASSETS	\$	329,694	\$	303,898	
	TOTAL ASSETS	\$	352,685	\$	321,275	

NOTE: The Assets on this page should be equal to Total Liabilities and Capital on the following page.

## **BALANCE SHEET (CONTINUED)**

Acct. No.	•		ANCE AT	BALANCE AT END OF	
	LIABILITIES	O	F YEAR		YEAR
	CURRENT LIABILITES			<u>.                                    </u>	
231	Accounts Payable		3,533	\$	1,685
232	Notes Payable (Current Portion)	, —		<u> </u>	
	Notes/Accounts Payable to Associated Companies	:		ļ	
235	Customer Deposits				
236	Accrued Taxes		4,299	1 .	351
237	Accrued Interest	ļ			
241	Miscellaneous Current and Accrued Liabilities				
	TOTAL CURRENT LIABILITIES	\$	7,832	\$	2,036
			<b></b>	· ·	
	LONG-TERM DEBT (Over 12 Months)			:	
224	Long-Term Notes and Bonds				
	DEFERRED CREDITS				
251	Unamortized Premium on Debt			 	
252	Advances in Aid of Construction		410,497		412,139
255	Accumulated Deferred Investment Tax Credits		,	· 	
271	Contributions in Aid of Construction			<u> </u>	
272	Less: Amortization of Contributions	1			
281	Accumulated Deferred Income Tax		410.407	. dt	412 120
	TOTAL DEFERRED CREDITS	\$	410,497	<u> </u>	412,139
	TOTAL LIABILITIES	\$	418,329	\$	414,175
	CAPITAL ACCOUNTS				
201	Common Stock Issued	: \$	50,000	\$	50,000
211	Paid in Capital in Excess of Par Value		21,650	<del></del>	21,650
215	Retained Earnings		(137,294)		(164,550)
218	Proprietary Capital (Sole Props and Partnerships)			•	
	TOTAL CAPITAL	\$	(65,644)	\$	(92,900)
	TOTAL LIABILITIES AND CAPITAL	\$	352,685	\$	321,275

**COMPANY NAME** 

## TIERRA BUENA WATER COMPANY, INC.

## SUPPLEMENTAL FINANCIAL DATA Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate	%	%	%	%
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End	\$14,314
Meter Deposits Refunded During the Test Year	\$2,332
Wieter Deposits Retained Daring the 10st 10th	Ψ2,552

### WATER COMPANY PLANT DESCRIPTION

#### **WELLS**

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-564891	15	165	680	12"	4"	1998
55-801249	10	50	450	8"	1 1/2"	1965

<sup>\*</sup> Arizona Department of Water Resources Identification Number

### **OTHER WATER SOURCES**

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
Inter Connection w/VUWCO	200	3,000

BOOSTER PUR	MPS	FIRE I	HYDRANTS
Horsepower	Horsepower Quantity		Quantity Other
15	2		

STORAGE TAI	STORAGE TANKS		E TANKS
Capacity	Quantity	Capacity	Quantity
100,000	1	5,000	2

## WATER COMPANY PLANT DESCRIPTION (CONTINUED)

#### **MAINS**

Size (in inches)	Material	Length (in feet)
2		
3	. 10.00	
4		
5		
6	DIP/ACP	12,000
8		
10		
12		

#### **CUSTOMER METERS**

Size (in inches)	Quantity
5/8 X ¾	
3/4	
1	125
1 1/2	
2	
Comp. 3	
Turbo 3	
Comp. 4	
Tubo 4	
Comp. 6	
Tubo 6	

For the following three items, list the utility owned assets in each category.

TREATMENT EQUIPMENT: <u>Liquid chlorinator</u> , 100 gal, with pulse feed PD pump			
STRUCTURES:			
<u>N/A</u>			
		0 0	
OTHER:			
	AND THE MICE.		

COMPANY NAME: TIERRA BUENA WATER COMPANY, INC.

## WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2004

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD	GALLON PUMPED (Thousands)
JANUARY	125	1,929,990	1,962.9
FEBRUARY	125	1,996,410	2,028.5
MARCH	125	1,953,920	1,968.3
APRIL	125	2,156,010	2,162.6
MAY	125	3,243,750	3,297.3
JUNE	125	4,564,100	4,726.9
JULY	124	3,682,310	3,537.6
AUGUST	125	4,478,910	4,455.6
SEPTEMBER	126	3,549,560	3,612.6
OCTOBER	125	2,988,980	3,164.0
NOVEMBER	125	2,206,430	2,085.7
DECEMBER	125	1,628,590	1,654.5
	TOTAL	N/A	34,656.5

Is the Water Utilit	located in an ADWR Active Management Area (AMA)?
(X) Yes	( ) No
Does the Company	have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?
( ) Yes	(X) No
If yes, provide the	GPCPD amount:
	arsenic for each well on your systemmg/l please list each separately.)

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME TIERRA BUENA WATER COMPANY, INC. YEAR ENDING 12/31/2004
PROPERTY TAXES
Amount of actual property taxes paid during Calendar Year 2004 was: \$ 6,483
Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for
property tax payments) of any and all property taxes paid during the calendar year.
If no property taxes paid, explain why.

#### INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported (5,610) Estimated or Actual Federal Tax Liability

(2,942) State Taxable Income Reported Estimated or Actual State Tax Liability

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances Amount of Gross-Up Tax Collected Total Grossed-Up Contributions/Advances

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

#### CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

**SIGNATURE** 

3-16.05

Giora Ben-Horin

President TITLE

PRINTED NAME

## RECEIVED

#### VERIFICATION **AND SWORN STATEMENT**

MAR 1 8 2005

**Intrastate Revenues Only** 

AZ Corporation Commission **Director Of Utilities** 

VERIFICATION STATE OF ARIZONA I. THE UNDERSIGNED

COUNTY OF (COUNTY NAME) MARICOPA NAME (OWNER OR OFFICIAL) TITLE

GIORA BEN-HORIN, PRESODENT

COMPANY NAME

OF THE

TIERRA BUENA WATER COMPANY, INC.

#### DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2004

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY: THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

#### **SWORN STATEMENT**

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE **UTILITY OPERATIONS DURING CALENDAR YEAR 2004 WAS:** 

> Arizona Intrastate Gross Operating Revenues Only (\$) \$ 85,235

(THE AMOUNT IN BOX ABOVE INCLUDES \$ 5.668 IN SALES TAXES BILLED, OR COLLECTED)

\*\*REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)

SIGNATURE OF OWNER OR OFFICIAL 468 ocy o 602 TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

Notary Public State of Arizona Maricopa County Mary W Johnson Expires (6:10-02, 2005

DAY OF

MONTH

COUNTY NAME

MY COMMISSION EXPIRES

pine 2,2000

sico pa

## VERIFICATION AND

## SWORN STATEMENT RESIDENTIAL REVENUE

RECEIVED

INTRASTATE REVENUES ONLY

MAR 1 8 2005 AZ Corporation Commission

		Director Of Utilities
STATE OF ARIZONA	COUNTY OF (COUNTY NAME) MARICOPA	
I, THE UNDERSIGNED	NAME (OWNER OR OFFICIAL) GIORA BEN-HORIN	TITLE PRESIDENT
OF THE	COMPANY NAME TIERRA BUENA WATER COMPANY, INC.	
DO CAN THAT THE ANNIH	AT TITLE TO DEPODE TO THE ADIZONA	CODBOD ATION COMMISSIO

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

VERIFICATION

MONTH DAY YEAR 12 31 2004

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY: THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

#### SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2004 WAS:

*RESIDENTIAL REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED.  *IN SALES TAXES BILLED, OR COLLECTED)  *RESIDENTIAL REVENUE REPORTED ON THIS PAGE  **SIGNATURE OF OWNER OR OFFICIAL  **GOT YES OCY O  **TELEPHONE NUMBER**	ARIZONA INTRASTATE GROSS OPERATING REVENUES	(THE AMOUNT IN BOX AT LEFT INCLUDES \$ 5,668
MUST INCLUDE SALES TAXES BILLED.  SIGNATURE OF OWNER OR OFFICIAL  6.7 Y 6 GCY 0	\$ <u>85,235</u>	IN SALES TAXES BILLED, OR COLLECTED)
		SIGNATURE OF OWNER OR OFFICIAL  6.2 Y 6 O CY 0

SUBSCRIBED AND SWORN TO BEFORE ME NOTARY PUBLIC NAME Mary W. Johnson COUNTY NAME A NOTARY PUBLIC IN AND FOR THE COUNTY OF THIS DAY OF Notary Public State of Arizona

(SEAL)

Maricope County Mary W Johnson Expires June 02, 2005

**MY COMMISSION EXPIRES** 

June 2, 2005

NATURE OF NOTARY PUBLI



To The Board of Directors Tierra Buena Water Company Phoenix, Arizona

We have compiled the accompanying balance sheets of Tierra Buena Water Company (a corporation) as of December 31, 2004 and 2003, and the related statements of loss and retained earnings <deficit> for the years then ended, in accordance with the Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. We have not audited or reviewed the financial statements referred to above and, accordingly, do not express an opinion or any other form of assurance on them.

Management has elected to omit substantially all of the disclosures and the statement of cash flows required by generally accepted accounting principles. If the omitted disclosures and statement of cash flows were included in the financial statements, they might influence the user's conclusions about the Company's financial position, results of operations, and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

This report is intended solely for the information and use of the owners, management, and others within the company and is not intended to be and should not be used by anyone other than these specified parties.

Wilmour & Company

Ullmann & Company, P.C. Certified Public Accountants

March 14, 2005

## Tierra Buena Water Company Balance Sheets (Compiled)

ASSETS				
	December 31			<u>1</u>
		<u>2004</u>		<u>2003</u>
Utility Plant				
Plant in Service	\$	517,688	\$	517,688
Accumulated Depreciation		213,790		187,994
Net Plant in Service	\$	303,898	\$	329,694
<u>Current Assets</u>	•	10.004	•	40.044
Cash	\$	12,684	\$	16,614
Accounts Receivable		4,693		6,377
<u>Total Current Assets</u>	\$	17,377	\$	22,991
<u>Total Assets</u>	\$	321,275	\$_	352,685
STOCKHOLDER'S EQUITY & LIABILITIES				
Stockholder's Equity				
Common Stock	\$	50,000	\$	50,000
Paid-in Capital		21,650		21,650
Retained Earnings		(164,550 <u>)</u>	_	(137,294)
Total Stockholder's Equity	\$_	(92,900)	<b>\$</b> _	(65,644)
Current Liabilities				
Accounts Payable	\$	1,685	\$	3,533
Accrued Taxes		351		4,299
Total Current Liabilities	\$	2,036	\$_	7,832
Deferred Liabilities				
Meter Deposits	\$	14,314	\$	7,320
Advances in Aid of Construction	•	397,825		403,177
Total Deferred Liabilities	\$	412,139	\$_	410,497
Total Stockholder's Equity & Liabilities	\$_	321,275	\$	352,685

See Accountants' Compilation Report

## Tierra Buena Water Company Statements of Loss (Compiled)

	Year Ended Decem <u>ber 31</u>			
		2004		
Operating Revenue				
Water Sales	\$	79,567	\$	88,952
Operating Expenses				
Purchased Water	\$	870	\$	1,894
Purchased Power		10,366		9,119
Water Testing		3,563		2,119
Repairs & Maintenance		4,222		6,332
Equipment Rental		106		150
Outside Services		51,563		162,334
Insurance		3,582		3,072
Miscellaneous Operating Expense		2,060		2,285
Property Tax		4,741		695
Depreciation		25,796		25,680
Income Tax Expense (Benefit)		45		2,164
Total Operating Expenses	\$	106,914	\$	215,843
Operating Loss		(27,346)	_	(126,891)
Other Revenue				
Interest Income	\$	91	\$	1,923
Gain on Sale of Land		0		116,849
Total Other Revenue	\$	91		118,772
Net Loss	\$	(27,255)	\$	(8,119)

See Accountants' Compilation Report

## Tierra Buena Water Company Statements of Retained Earnings (Deficit) (Compiled)

Retained Earnings (Deficit)	Year Ended December 31		
	<u>2004</u>		2003
Balance Beginning of Year	\$ (137,294)	\$	(129,175)
Net Loss	(27,255)	-	(8,119)
Balance End of Year	\$ (164,550)	\$	(137,294)

See Accountants' Compilation Report

2004 FIRST HALF PAYMENT STUB DUE OCTOBER 1, 2004 DELINQUENT AFTER NOV. 1, 2004 TIERRA BUENA WATER COMPANY

MAKE CHANGES TO MAILING ADDRESS BELOW:

MAKE CHECK PAYABLE TO:

Maricopa County Treasurer P O Box 78574 Phoenix, AZ 85062-8574 PRINT THE ABOVE PARCEL / ACCOUNT # ON YOUR CHECK

U.S. FUNDS ONLY

PLEASE CHECK WHICH PAYMENT APPLIES

	FIRST HALF	\$2,210.55
V	FULL YEAR	\$4,421.10

poil fel

PAID UNDER PROTEST

040000001000004421100000221055644179000099



2004 FIRST HALF PAYMENT STUB DUE OCTOBER 1, 2004 DELINQUENT AFTER NOV. 1, 2004 TIERRA BUENA WATER COMPANY

MAKE CHANGES TO MAILING ADDRESS BELOW:

MAKE CHECK PAYABLE TO:

Maricopa County Treasurer P O Box 78574 Phoenix, AZ 85062-8574 PARCEL/ACCOUNT# 501-63-233 5

PRINT THE ABOVE PARCEL / ACCOUNT # ON YOUR CHECK

U.S. FUNDS ONLY

PLEASE CHECK WHICH PAYMENT APPLIES

FIRST HA	F \$160.15
FULL YEA	\$320.30



PAID UNDER PROTEST

0400000000000000320300000016015501632330053

002

October 20, 2004 DATE

92-7008/3241

PAY TO THE

Maricopa County Treasurer

\$ 4.741.40

Four thousand seven hundred forty one and 40/100

10011-1125

The state of the s

Washington Federal Savings

gs

**PAID UNDER PROTEST** 

CAMELBACK OFFICE
2006 E. CAMELBACK BD., STE-100, BHOCHIX, AZ 85016

\_\_\_\_\_501 <u>-63-233</u>. 5 .....

/1/\_

, M²

#3241700B5# 123 9000993#